

## Message Text

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ORIGIN TRSE-00

INFO OCT-01 NEA-10 ISO-00 ABF-01 FS-01 AID-05 CIAE-00

COME-00 EB-07 FRB-03 INR-07 NSAE-00 USIA-06 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 OPR-02

PER-01 AGR-05 SS-15 NSC-05 L-03 IO-13 /099 R

DRAFTED BY TREAS:OASIA/ODP:ESCHWARTZ

APPROVED BY A/BF/FC:JEMANION

TREAS:ODN:RANDERSON

TREAS:ODP:FMARESCA:RPELIKAN

TREAS:GFO:IKESSER

A/BF/FC:RPWHITENER

NEA/EGY:PKENNEDY

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P 052048Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY CAIRO PRIORITY

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E.O. 11652:

TAGS:

SUBJECT: EXCHANGE RATES

REF: A) STATE 100588; B) CAIRO 6936; C) CAIRO 9934

1. TREASURY APPRECIATES EMBASSY'S INFORMATION ON EXCHANGE RATES (REF B). IN REVIEWING THE EXCHANGE RATE STRUCTURE IN EGYPT, TREASURY HAS DEVELOPED THE FOLLOWING LIST OF QUESTIONS AND WOULD APPRECIATE ANY ASSISTANCE THE EMBASSY CAN GIVE IN ANSWERING THEM. THIS INFORMATION IS NEEDED BEFORE TREASURY CAN COMPLETE ITS REVIEW AND COME TO A DETERMINATION ON POSSIBLE REVISIONS.

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2. FYI - TREASURY GUIDELINES ARE TO ESTABLISH RATES CONSISTENT WITH OTHER LEGAL RATES AVAILABLE, PROVIDED THAT IT IS NOT DISADVANTAGEOUS FROM A BALANCE OF PAYMENT OR BUDGETARY PERSPECTIVE.

3. QUESTIONS FOR EMBASSY:

A. IS THE PARALLEL MARKET EXCHANGE RATE AVAILABLE, LEGALLY TO USG AGENCIES?

B. IS TREASURY CORRECT IN ASSUMING THAT THE NON-RESIDENT "C" ACCOUNTS ARE NO LONGER AVAILABLE FOR USG USE?

C. WHAT IS THE MOST FAVORABLE LEGAL RATE USG CAN GET TO PURCHASE EGYPTIAN POUNDS WITH DOLLARS OR DOLLAR INSTRUMENTS?

D. ARE INTERNATIONAL ORGANIZATIONS RESTRICTED IN COMMERCIAL PURCHASES OF LOCAL CURRENCY TO THE OFFICIAL RATE?

E. ASIDE FROM EMBASSY ACCOMMODATION EXCHANGE SALES, CAN U.S. PERMANENT RESIDENTS AND USG STAFF OBTAIN INCENTIVE EXCHANGE RATE OR PARALLEL MARKET RATE ELSEWHERE?

F. PLEASE ADVISE AS TO THE PRACTICE OF OTHER EMBASSIES WITH REGARD TO ACCOMMODATION SALES, SALES TO IO'S, AND INTERNAL TRANSACTIONS.

G. WHAT EFFECT WOULD PROPOSED ADOPTION BY GOE OF UNIFIED COMMERCIAL EXCHANGE RATE (REF C) HAVE ON ANSWERS TO ABOVE QUESTION? HABIB

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSTRUCTIONS, FOREIGN EXCHANGE RATES  
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**Copy:** SINGLE  
**Draft Date:** 05 AUG 1976  
**Decaption Date:** 01 JAN 1960  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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